Australian Institute of International Affairs Victoria

ACN : 004 560 829
ABN : 42 727 001 279

ANNUAL REPORT 2006/2007

Registered Office: Dyason House, 124 Jolimont Road, East Melbourne, VIC 3002

OFFICE BEARERS AND COUNCIL MEMBERS AS AT 30 June 2007

VISITOR
Professor David De Kretser AC, Governor of Victoria

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The Rt. Hon Sir Ninian Stephen, KG, AK, GCMG, GCVO, KBE
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Dr Margaret Rees Jones
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COMMITTEES

Finance	Chair: Greg Romanes
Membership	Chair: Margaret Rees Jones
Program	Chair: Graham Barrett
Consular Committee	Chair: Margaret Papst
Academic Links, Research & Publications	Chair: John McKay
VCE Schools Program	Chair: Judy Rothacker
Volunteers & Interns	Chair: Annick Cable
ACCESS	Chair: Annick Cable
Fundraising	Chair: Greg Romanes
Study Tour	Chair: Zara Kimpton
Corporate	Chair: Greg Romanes
Institutional	Chair: Barry Coldrey
Diplomatic Links	Chair: Carlos De Lemos
House	Chair: Annette Webb
Garden	Chair: Annette Nicol
DFAT Links	Chair: Ian Wilcock
Library	Chair: Pat Pettit
Publicity	Chair: Robyn Byrne
Database	Chair: Alistair Urquhart
International Careers Conference	Chair: Trish Ritman
Website / IT	Chair: Annette Nicol

ABOUT US

The Australian Institute of International Affairs (AIIA) is an independent organisation which promotes the objective study of International affairs. It has no political biases and hears all views. Established as a federal organisation in 1933, the Institute has its national headquarters at Stephen House in Canberra, and branches in all states and territories. Like its sister Institutes in New Zealand, Canada, South Africa and India, it is affiliated with the Royal Institute of International Affairs, Chatham House, London.

The AIIA provides a forum for discussion and research on subjects of topical and continuing interest through meetings, conferences and seminars addressed by distinguished specialists and public figures. Over the years these meetings have contributed much to informing public opinion on international affairs and have assisted the development of the Australian Diplomatic Service and the study of international issues in Australia.

Founded in 1925, the AIIA Victoria has included many notable authorities on international affairs, amongst them being Sir John Latham, Sir Owen Dixon, Sir Ian Clunies Ross, E.C. Dyason and Professors Norman Harper and Macmahon Ball.

The AIIA is housed in Dyason House, named after E.C. Dyason, a prominent past member and one of its most generous benefactors.

Membership is open to any individuals who are Australian residents, to corporate bodies, to diplomatic representatives, schools and students.

PRESIDENT'S REPORT

A Growing and Dynamic Institute

The year up to June 30th 2007 was another very successful one for the AIIA Victoria, building on the hard work that has been put in over the last few years.

In summary, the most important highlights of the year were:

- A lively and innovative program of some 70 events over the year.
- A consolidation of our financial position, with continued growth of revenue.
- An expanding membership, which by the end of the year stood at more than 600.
- The organisation of a second International Careers Conference, with large attendance of students from all universities in Victoria.
- A continued series of special lectures for Year 12 students in International Politics, including an end-of-year revision session.
- More progress in our continued efforts to upgrade Dyason House.
- Continued planning for a study tour to India to be held in late 2007.
- Planning for an expanded research role for the Institute.
- Collaboration with the AIIA National Office in the organisation of a number of events.

A Full and Varied Program

Our program continued to expand its horizons and develop new and wider streams of contact with the community. We launched a new annual dinner with an oration in honour of our long-serving Senior Patron Sir Zelman Cowen, with the first event addressed in appropriate fashion by the director of our parent organisation in the UK, the Royal Institute of International Affairs, Professor Victor Bulmer-Thomas, who reviewed the state of the world as seen by Chatham House, and in particular assessed a future in which China will be a much more important player.

We brought to a distinguished conclusion our Collins Street series of lunch addresses under the "World According to Bush" banner, with the *Australian* newspaper's foreign editor, Greg Sheridan, and one of Australia's leading defence specialists, Professor Hugh White of the ANU, following a succession of prominent US and Australian scholars and diplomats in an initiative launched last financial year by the Foreign Minister, Alexander Downer. To succeed the Bush series we devised a lunch series, also in Collins Street, entitled "Global Business Prospects" in which we could survey opportunities and challenges for

Australia in a globalising and increasingly prosperous world. It was launched by the visiting South African Finance Minister, Trevor Manuel, with our ambassador to Washington, Dennis Richardson, and the Indian High Commissioner as early speakers.

We have also introduced a popular initiative with Readings Bookshop to showcase and launch new and important volumes relating to foreign affairs, with a monthly meeting at one of their branches with the author or a guest speaker to discuss a new publication. We have also continued to hold book launches at Dyason House and these have included an address by Michael Wesley who introduced his new book on the Prime Minister, John Howard, and his foreign policy, especially in relation to Asia.

Our traditional program stream at Dyason House continued to straddle the globe with many fine speakers and the widest possible range of topics. Asia continued to feature, with events including a look at regional security, the future of Japan, several talks on terrorism in South-East Asia with noted speakers such as Sidney Jones of the International Crisis Group and Professor Tim Lindsay of the University of Melbourne, Japan-China relations and India-China relations, developments in Thailand, the new crisis in East Timor, North Korea, India's rise and a forum on APEC. Farther afield, among other topics, we covered the Darfur tragedy with three speakers from Oxfam Australia, what Islam is really all about with the University of Melbourne's Professor Abdullah Sae'ed, a look at Australia's exposure in the Middle East, a view of Iran's nuclear ambitions from a top US scholar, Professor Anthony Cordesman, new leadership at the United Nations, the global economy, US foreign policy with two prominent American thinkers, the climate change debate, the threat of nuclear proliferation, the global knowledge economy, and, for a sense of perspective, a global survey of happiness.

To complement our speaking programme we continued our series of ambassadorial lunches or evening events hosted at Dyason House, with guests including the representatives of the European Commission, South Korea, Latvia and Argentina and our envoys to South Africa and Russia.

A full list of events organised during the year is attached to this report.

A Healthy Financial Position

The Institute recorded a strong result for the financial year ending 30 June 2007. Thanks to some generous donations, a bequest and successful functions we have recorded a surplus of $61,808.

This should be viewed as an extraordinary result and one that is unlikely to be repeated in the short term. I would like to place on record the significant financial benefit the Institute has received by way of donations from Zara Kimpton ($11,000) and Richard Morgan ($2,000), a bequest from Prue Myer ($5,000) and from the hard work that went into the VCE, ICC and the Sir Zelman Cowen Oration.

Members should note that, in general, the core operations of the Institute (weekly functions, property rental and subscriptions) meet our annual running costs and any surplus recorded usually reflects a successful year in areas such as donations, bequests and functions - as mentioned above.

The Institute has adequate cash reserves but these could be used by major work on Dyason House, due to regulatory requirements or repairs, and to this end we have commissioned reports on Building Safety and OH&S to quantify our obligations.

We have also undertaken to perform certain remodelling to the building in the foyer and office areas. We expect this expense will be incurred during the first half of the 2007 - 08 financial year, whilst the generous donations to fund this work were brought to book in the last financial year.

Continued Growth in Membership

Once again our numbers are encouraging. As at 30 June 2007 we had 579 financial members, with 25 honorary members. Included in the latter category are speakers, patrons, honorary members and three names on a free list.

Corporate members include three full fee-paying: Shell, Connell Wagner/IDSS and ExxonMobil and six who provide sponsorship: ANZ, BHP, Citigroup, *The Age*, Roy Morgan Research and Rio Tinto.

Student membership has risen by a further 130 since 30 June and it has been suggested we reconsider the length of

membership given in conjunction with the International Careers Conference. Currently those registering receive 18 months membership, and we recommend that this be reduced to 5 months to reduce the considerable ancillary expenses, such as capitation fees. Hopefully the enthusiastic students will resubscribe for at least a further year.

Relations with Consular Corps

One important aim has been to build a strong profile of the AIIA within the consular corps, to become an integral aspect of their working lives and to actively involve them as members in the Institute. We have succeeded in developing an interested, committed core group and have continually tried to expand its numbers. We have invited particular consuls/consulates to functions which are applicable to the countries they represent. We, in turn, have been invited to many consular functions. We are part of their 'scene'.

During the year we were very pleased to welcome the Consul General of Oman to our ranks. He has subsequently become a very active participant of the Institute. We have also welcomed new consuls-general from Turkey and Croatia - both very happy to continue their consulates' relationship with the Institute. We were sorry to lose the formal membership of the U.S.A. Consulate - after such splendid support from it in the past. It has, however, continued to support us in an informal way by supplying us with a range of thought-provoking speakers.

At diplomatic level we have been privileged to have as visiting guest speakers the High Commissioners of Singapore, Canada and India, the Ambassadors to Australia from Turkey, Argentina, the European Union, Korea and Latvia, and Australia's Ambassador to Moscow. We have been indebted to our Premier's Department and to DFAT for making these people available to the Institute and its members.

Improving Dyason House

The building committee has again had a busy year. The proposed incorporation of the area at the top of the steps into the downstairs internal space proved to be too expensive so this plan had to be abandoned. We have since been working with our architect, Belinda Tsering, on alternative plans to renovate the office so that we can use the space more efficiently and provide better working conditions for our Executive Officer and volunteers. We are grateful to Belinda who has spent many hours working for us at a reduced hourly rate. The renovation will also include an upgrade to the entrance and the downstairs area and recarpeting of all areas except the Russel Madigan Room. During the year we have also commissioned a Building Regulatory Report and an Occupational Health and Safety Report. A qualified electrician also inspected the premises. It is hoped that all the required work will be completed by the end of 2007.

The Institute is particularly grateful to those members who responded most generously to our appeal specifically for building improvements.

International Careers Conference

The second International Careers Conference was held in the magnificent Queens Hall, Parliament House, Melbourne on Friday 18th August, 2006 with a capacity audience of 250 tertiary students. We regretted having to refuse tickets to some 100 prospective attendees.

Breakout Session, 2006 International Careers Conference, Parliament House

A program of speakers from government, non-government aid agencies and from private corporations was arranged, including

senior members of 18 organisations who spoke about opportunities for international postings and the skills of value in their fields.
Ms Zara Kimpton, President AIIA Victoria welcomed participants, and the Hon Jacinta Allan MP, Minister for Education Services, Minister for Employment and Youth Affairs opened the conference. Mr George Negus, SBS Dateline Program Presenter and author, chaired the morning session and delivered the keynote speech at the commencement of the afternoon session. Dr Paul Battersby chaired the afternoon session.
Our thanks are due for special assistance from: Mr Ian Wilcock in regard to speakers from government departments; Dr Paul Battersby with speakers from non-government and aid agencies; Mr Craig Hodges' major contribution in obtaining the chair, the venue and Deakin's participation; and Mr Martin Jones in obtaining the participation of ARUP.
Marketing and publicity of the conference has been successfully handled by students from all universities in Melbourne and Geelong (Amanda Andonovski, Diana Arlen, Craig Hodges, Richard Houlihan, Tessa Muller, and Chris Glynn-Robinson).
In addition, the assistance of many AIIA members including: Mrs Judy and Mr Michael Coultas OAM, Ms Judy Rothacker, Dr Leo Teller and Mr Alistair Urquhart on the day, is greatly appreciated.
Major sponsors for the event, BHP Billiton, RMIT University and the Magnolia Court Boutique Hotel were greatly appreciated. All universities in Victoria offered their support for the function and publicised it through their career centres.
We were delighted to find that as a result of the conference the AIIAV gained 98 new tertiary student members, whom we welcome to attend both ACCESS and AIIAV functions.
Planning for the International Careers Conference to be held on 24 August 2007 commenced in December 2006. A Committee chaired by Mrs Trish Ritman and ably assisted by Mr Craig Hodges, Conference Project Manager, funded by a grant from the Walter Mangold Trust Fund, have a larger event in mind to avoid disappointing applicants, we have booked the Olympic Room of the new MCG stand to accommodate some 350 tertiary students and have a program of some 25 speakers organised.

Relations with Universities

University students and academic staff are a key constituency of the Institute and strenuous efforts are being made to increase the awareness and profile of the AIIA and attract new members. Representatives have been appointed for many of the major universities and membership brochures and details of future events have been distributed. The International Careers Conference has of course provided a major focus for our links with universities.

ACCESS

The AIIAV's youth network was launched in August 2006. It was established to provide resources to young AIIA members, and is part of a wide-ranging project to help revive the AIIA as a place for debate, networking and analysis. Combining the benefits of a professional association and a social club, ACCESS fuses social and professional objectives of the growing number of students and young professionals in their 20s and 30s seeking international careers.

ACCESS Launch, Australian Centre for the Moving Image, 30 August 2006

ACCESS operates under the auspices of the AIIAV and aims to make the Institute more accessible to younger people. The AIIAV remains the parent organization and all aspects of ACCESS complement AIIAV membership.
In 2006-07, ACCESS held over ten events, published three issues of the *Quarterly Access* online review, and ran a successful members-only mentoring program. The youth network received generous donations from the Victorian Office of the Department of Foreign Affairs and Trade, Ms Zara Kimpton and Lochard Ltd. In early 2006, ACCESS was awarded a grant from the Walter Mangold Trust Fund, and secured

sponsorship with ITS Global, a consultancy firm.

Research and Publications

A major goal of the AIIA is to increase its research capacity, leading to the publication of research reports of various kinds. Planning has continued in this area, and some important new initiatives are likely to be ready by late 2007.

Schools Program

A key part of the Institute's activities is the support for teachers and students involved in the Year 12 Program in International Politics. As in previous years four lectures have been organised during the year, covering the four major themes in the syllabus: globalisation and internationalism, global conflicts, power in the Asia Pacific region, and Australian foreign policy. These events were extremely well supported, and the Institute is again grateful to the ABC for allowing us to use the Iwaki Auditorium at Southbank free of charge for these events. This program has been ably managed by Judy Rothacker, chair of our schools committee.

To provide more reference materials for Year 12 teachers around Victoria we have been working on the compilation of a CD-ROM of relevant articles from recent issues of the *Australian Journal of International Affairs*. This will be available before the end of 2007. We are grateful to the publishers of the journal for allowing us to undertake this support program without having to pay royalties, and for other assistance from the National Office of the AIIA.

House Report

The increased membership of the AIIA has resulted in higher attendances at events this year. Food and drinks arrangements would have been hard to manage without the enthusiastic help of our volunteers. Annick Cable did a wonderful job recruiting volunteers. Marcus Gorondi has been our most hard working volunteer performing most of the hospitality duties at our functions.

Study Tour Program

Following the last successful study tour to Turkey in May 2006, the Study Tour Committee has again been busy planning the next tour, which will take place in November 2007. Study tours involve months of planning and we are again grateful to the tour leaders, Michael Coultas OAM (a former President of AIIA Victoria) and Judy Coultas, for all the work they have done in this regard. The two week tour will involve visits to New Delhi, Bangalore, Mysore, the Cochin/Alleppey area, and the Chennai area. We have been in close contact with the Australian High Commission in New Delhi as well as the representative offices in Chennai and Bangalore. We particularly appreciate the assistance received from the Department of Foreign Affairs and Trade. The group of 20 people will visit a varied selection of Indian associations and organisations and in Bangalore will focus on the growth of the IT industry in all its aspects.

The Study Tour Committee also held discussions on the possibility of organising a Study Tour to Russia in 2008 and agreed to proceed further with this project.

Staffing

The continual increase in AIIA activities is putting much greater pressures on our staff resources.

Annette Nicol has done a wonderful job in managing a multitude of tasks, and enormous thanks to her. The Executive is very much aware that to move to the next stage of our development extra staff resources will be needed to assist Annette, and various alternatives are being explored.

The volunteers and interns programs were successful and contributed to the improved administration of the AIIAV.

It has also been agreed that some resources will be needed to upgrade our office computer system, and this will be completed by the end of 2007.

John McKay
PRESIDENT

MEMBERSHIP

Category	Rate ($)	30/06/2005	30/06/2006	30/06/2007
Ordinary	121	123	137	161
Retired	77	88	95	98
Country	77	13	14	13
Spouse	55	24	28	27
Consulate	330	-	3	4
Consular	121	7	11	10
Corporate	550	3	5	9
Institutional	330	5	6	9
School	121	37	35	44
Student	44	21	86	200
Speaker			11	14
Patron			4	4
Honorary		24	4	4
Free list		8	8	3
Total		**353**	447	**604**

AIIA PAST FUNCTIONS
1st July 2006 – 30th June 2007

DATE	Speakers & Conference	Topic
4 July, 2006	Ms Ellen Shipley, AUSAID	The 2006 Whitepaper on Australia's Aid Program
6 July, 2006	Professor Amin Saikal AM, Australian National University	Third lecture in a series on the Middle East presenting views on the big issues from a variety of perspectives: The Muslim World and the West: Favourable Changes on the Horizon
11 July, 2006	Dr. Adrian Little, University of Melbourne	The Third Way in Transition: Tony Blair, Gordon Brown and the Labour Government in the UK
18 July, 2006	HE Mr. N. Murat Ersavci, Turkish Ambassador to Australia	Current Issues in Turkey and Developments in Turkey-Australia Relations
25 July, 2006	HE Mr. Eddie Teo, High Commissioner for the Republic of Singapore	Current issues in Singapore and Developments in Singapore-Australia Relations
27 July, 2006	Associate Professor David Dorward, La Trobe University	Debt Forgiveness and its Impacts on Africa
1 August, 2006	HE Mr. Michael Leir, High Commissioner of Canada to Australia	Current Issues in Canada and Developments in Canada-Australia Relations
15 August, 2006	HE Dr. Ralph King, Australian Ambassador to Kuwait	Kuwait: Domestic Policy and Regional Security
17 August, 2006	Ms Sidney Jones, International Crisis Group	Indonesia Forum: The Emergence of Do-It-Yourself *Jihadism* in Indonesia
17 August, 2006	Professor Victor Bulmer Thomas OBE Director, The Royal Institute of International Affairs (Chatham House)	Presented in conjunction with the Monash Institute for the Study of Global Movements and Asialink: China's Peaceful Rise: Six Reasons for Concern
18 August, 2006	International Careers Conference	
22 August, 2006	Professor Victor Bulmer Thomas OBE Director, The Royal Institute of International Affairs (Chatham House)	Sir Zelman Cowen Oration Gala Dinner: Living with Two Mega-powers: The World in 2020
25 August, 2006	Mr Ron Anderson, Scotch College Professor Joe Camilleri, Latrobe Uni Dr Michael Fullilove, Lowy Institute	2006 VCE Seminar: Australia's Foreign Policy
29 August, 2006	Mr. Saul Eslake, ANZ Bank	The Emergence of Oil Producers as Net International Creditors: Possible Implications for the Global Financial System
30 August, 2006	Launch - ACCESS Youth Network	
31 August, 2006	HE Mr. Pedro Raul Villagra-Delgado, Ambassador of the Argentine Republic to Australia	Current Issues in Argentina & Developments in Argentina-Australia Relations
7 September, 2006	Mr Greg Sheridan, Foreign Editor – The Australian	The World According to Bush Series: Part 13 The Inside Story of the US-Australian Alliance under Bush and Howard
14 September, 2006	Dr Nick Bisley, Monash University	The Transformation of East Asian Regional Security: A NATO for the Asia-Pacific?
18 September, 2006	Professor Anthony Cordesman, Centre for Strategic and International Studies, Washington DC	Fourth Lecture in Middle East Series: Update on Iran & the Middle East
18 September, 2006	Professor Anthony Cordesman, Centre for Strategic and International Studies, Washington DC	ACCESS roundtable discussion
19 September, 2006	Professor Hugh White, Australian National University & Lowy Institute	The World According to Bush Series: Final - Five Strange Years: Summing up the Bush Doctrine and its Impact on Australia

DATE	Speakers & Conference	Topic
25 September, 2006	HE Mr Philip Green, Australian High Commissioner to South Africa	South Africa 12 Years After Apartheid
4 October, 2006	Professor Tim Lindsay, University of Melbourne	Indonesia Forum: Death and Drugs, Bali and Bombs: Indonesia's Death Penalty, Judicial Reform and Bilateral Relations with Australia
10 October, 2006	HE Mr Bruno Julien, Ambassador of the European Commission to Australia & New Zealand	Current Issues & Debates within the European Community
12 October, 2006	Ms Susan Windybank, Centre for Independent Studies	China's Pacific Strategy: The Changing Geopolitics of Australia's 'Special Patch'
13 October, 2006	US Consulate General	ACCESS Consular Visit
14 October, 2006	Dr David Wright-Neville, Monash University Ms Elizabeth Hall, Haileybury College Ms Anna-Louise Simpson, Mazenod College Mr Grant McMurdo, Princes Hill Secondary College	VCE End of Year Revision Lecture
17 October, 2006	Professor Richard Tanter, RMIT University	A Panel Discussion: Prospects for a New Beginning in Japan-China Relations
26 October, 2006	Dr Morris Jones, Deakin University	China Forum: Shenzhou: China's Human Spaceflight Program
30 October, 2006		Annual General Meeting
2 November, 2006	Dr Paul Battersby, RMIT University	So Long Suwannaphum: Thailand and its Neighbours after the 19 September Coup
15 November, 2006	Hon. Andrew Robb AO MP, Parliamentary Secretary to the Minister for Immigration and Multicultural Affairs	Australia and the New International Migration Flows
21 November, 2006	Prof. Peter Sheehan, Victoria University	Adapting to the New Global Knowledge Economy: Some Policy Choices for Australia
29 November, 2006	Dr Fethi Mansouri, Deakin University	Sixth Lecture in Middle East Series: Unlocking Australia's Relationship with the Middle East
6 December, 2006	Dr Michael O'Keefe, La Trobe University	Grappling with the Problems of the Pacific
7 December, 2006	ACCESS – AIIA Youth Network	2006: The World in Review
12 December, 2006	Dr Charles Morrison, President of the East-West Center – Honolulu	Challenges in US-Asia Relations
15 December, 2006	AIIA	Annual Christmas Lunch
19 January, 2007	Mr M. Wahid Supriyadi, Consul General for Indonesia	ACCESS Series: Australia – Indonesia Relations
31 January, 2007	Mr Brendan Ross, Oxfam & Mr Abdelhadi Matar, refugee	Seeking an End to the Suffering of Darfur
7 February, 2007	Professor Joe Siracusa, RMIT University	The New Nuclear Threat
14 February, 2007	Professor Abdullah Saeed, University of Melbourne	Islam: What it's Really All About
20 February, 2007	Dr Zachary Abuza, Simmons College – Boston	On the Trail of Militant Islam in South-East Asia
28 February, 2007	Professor John McKay, President – AIIA Victoria	Is Peace Possible on the Korean Peninsula?
6 March, 2007	Ms Pamela Bone, Columnist and Author	What in the World is Going On?
14 March, 2007	Dr Suzette Mitchell, Executive Director – International Women's Development Agency	Why the Global Landmine Scourge Hurts Women Most of All
19 March, 2007	HE Mr Dennis Richardson, Australia's Ambassador to Washington	Global Business Prospects Series: Our Vital Ties with the US
19 March, 2007	Steve Odgers, Head of Strategy in Asia (ANZ)	Doing Business in Asia
21 March, 2007	HE Mr Robert Tyson, Ambassador to Moscow	Solving the Riddle that is Russia
26 March, 2007	Mr Andrew MacLeod, UN Emergency Operations Chief – Pakistan	Responding to Disaster

DATE	Speakers & Conference	Topic
27 March, 2007	HE Mr Cho Chang-Beom, Ambassador for the Republic of Korea	What Next for the Korean Peninsula?
29 March, 2007	Mr Derek Scott, Haileybury College Professor Damien Kingsbury, Deakin University, Professor John Langmore, University of Melbourne	VCE Seminar 1 – Globalisation & Internationalism
4 April, 2007	Dr Morris Jones, Space Analyst and Journalist	High Noon on the Last Frontier
11 April, 2007	Professor Michael Wesley, Griffith University	Book Launch: *The Howard Paradox: Australian Diplomacy in Asia 1996 – 2006*
16 April, 2007	Ambassador Jiang Chengzong, China Institute of International Studies Dr Hank Lim, Singapore Institute of International Affairs Ms Luan Thuy Duong, Vietnam Institute of International Relations	The Future of APEC *An AIIA Special Event*
24 April, 2007	Mr Richard Tanter, Director – RMIT's Nautilus Institute	Why Our New Security Pact with Japan is a Worry
2 May, 2007	Professor Mirko Bagaric, Deakin University	The Global Search for Happiness
8 May, 2007	Dr Worawit Baru, Assistant Professor – Prince of Songkla University	Crisis in Southern Thailand – is Reconciliation Possible?
10 May, 2007	HE Mr Indulis Berzins, Ambassador of Latvia	A Post-Cold War Success Story
16 May, 2007	Professor Damien Kingsbury, Deakin University	East Timor Votes for its Future
17 May, 2007	HE Mr Prabhat Prakash Shukla, High Commissioner of India	Global Business Prospects Series: Boom Times for India
22 May, 2007	Professor John Langmore, University of Melbourne; Dr Leo Teller; Michael Patto	ACCESS Series : UN Panel
23 May, 2007	Dr Pradeep Taneja, University of Melbourne	Two Asian Giants Take Each Other's Measure
24 May, 2007	Professor David Wright-Neville, Monash University	VCE Seminar 2 – Global Conflicts
29 May, 2007	Dr Peter Christoff, University of Melbourne	Facing up to Climate Change
1 June, 2007	Associate Professor Michael Green, Georgetown University	
5 June, 2007	Professor John Langmore, University of Melbourne	Challenges and Changes at the UN
12 June, 2007	Dr Riadh Al-Mahaidi, President – Australia Iraqi Forum Dr Sally Totman, Deakin University	Book Talk with Readings and AIIAV: *Imperial Life in the Emerald City: Inside Iraq's Green Zone* by Rajiv Chandrasekaran
20 June, 2007	Professor Ian Copland, Monash University	India Forum: The Making of Modern India – how religion and politics have moulded the world's most populous democracy
26 June, 2007	Dr Richard Feinberg, University of California	How the US Views Asia Today

DIRECTORS' REPORT

Your directors submit the financial statements for the year ended 30 June 2007

1. The names of the Council Members in office at any time during or since the end of the year and the number of meetings they attended are as follows:

Name/Position	Number Eligible to Attend	Attended
President		
Prof John McKay	4	3
Vice Presidents		
Mrs Trish Ritman	4	3
Mr Graham Barrett	4	4
Honorary Treasurer		
Mr Greg Romanes	3	3
Immediate Past President		
Ms Zara Kimpton	4	4
Councillors		
Ms Diana Arlen	4	2
Dr Paul Battersby	4	3
Mrs Sue Bell	1	1
Ms Jane Blaxland	3	3
Ms Robyn Byrne	3	2
Ms Annick Cable	4	4
Mr John Cohen OAM JP	1	1
Dr Barry Coldrey	4	3
Dr Carlos De Lemos	4	3
Ms Toni Feddersen	4	2
Mr Craig Hodges	1	1
Mr Richard Houlihan	4	3
The Hon Michael MacKellar	4	3
Mr Tony McAdam	3	1
Mr Richard Morgan AM	1	1
Ms Margaret Papst	4	3
Mrs Pat Petit	4	2
Dr Margaret Rees Jones	4	2
Mr Ernest Rodeck AM	1	1
Ms Judy Rothacker	4	1
Mr Les Rowe	3	3
Prof Harry Simon	1	1
Mr Baard Solnordal	1	1
Mr Alistair Urquhart	4	2
Ms Bernadette Waldron	1	1
Ms Annette Webb	4	3
Mr Ian Wilcock	4	3
Mr William Wilson	3	3

2. The principal activities of the Institute during the financial year were the study of international affairs and the organisation of conferences and seminars. There has been no significant change in the nature of these activities during the year.

3. The net amount of the profit for the financial year ended 30 June 2007 was $61,808.

4. The number of members of the Institute as at 30 June 2007 was:

Financial	579
Honorary	25
TOTAL:	604

5. The Institute is a company limited by guarantee and no dividend has been or will be declared or paid.

6. **Further Developments**
During the year ending 30th June 2007, this Institute will continue to study international affairs and serve members needs by organising seminars and releasing publications.

7. **Review of Operations**
The Institute achieved a profit of $61,808 for the year ended 30 June 2007 compared with a profit of $20,977 in the previous year.

8. **Subsequent Events**
No matters have arisen since 30th June 2007, to the date of this report that affects the Institute or the financial statements.

9. **State of Affairs**
There were no significant changes in the state of affairs of the company during the year.

10. **Directors Indemnification**
Australian Institute of International Affairs has paid a premium in respect of a contract insuring the directors and officers of Australian Institute of International Affairs against liabilities.

By order of the Council in accordance with a Resolution of the Directors.

John McKay

President

Honorary Treasurer

Dated this 30th September, 2007

Melbourne, Victoria

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA
A.C.N.: 004 560 829
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 $	2006 $
Revenues from ordinary activities	2	**213,846**	**226,341**
Expenses from ordinary activities			
Capitation fees		(6,782)	(5,632)
Function expenditure		(55,278)	(52,921)
Study Tour		-	(59,034)
Employment		(45,660)	(45,947)
Communications		(13,724)	(11,853)
Property expenses		(15,450)	(19,602)
Other		(9,879)	(5,686)
Profit/(loss) before Depreciation and income tax		**67,073**	**25,666**
Depreciation		(5,265)	(4,689)
Profit/(loss) before Income tax		**61,808**	**20,977**
Income tax Expense	1 (c)	-	-
Profit/(loss) after Income tax		**61,808**	**20,977**

The Statement of financial performance is to be read in conjunction with the notes to the financial statements

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA
A.C.N.: 004 560 829
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2007

	Note	2007	2006 $
CURRENT ASSETS			
Cash	3	192,357	135,506
Other	4	8,877	12,230
TOTAL CURRENT ASSETS		201,234	147,736
NON-CURRENT ASSETS			
Property, Plant and Equipment	5	1,029,734	1,031,657
TOTAL NON-CURRENT ASSETS		1,029,734	1,031,657
TOTAL ASSETS		1,230,968	1,179,393
CURRENT LIABILITIES			
Creditors and borrowings	6	4,996	6,679
Other	7	-	3,818
Provisions	8	1,692	6,424
TOTAL CURRENT LIABILITIES		6,688	16,921
TOTAL LIABILITIES		6,688	16,921
NET ASSETS		1,224,280	1,162,472
MEMBERS' EQUITY			
Reserves	9	1,005,470	1,005,470
Accumulated Profit	10	131,573	69,765
Dyason Bequest	11	87,237	87,237
TOTAL MEMBERS' EQUITY		1,224,280	1,162,472

The Statement of financial position is to be read in conjunction with the notes to the financial statements

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA
A.C.N.: 004 560 829
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2007

	Note	2007 $	2006 $
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from members, tenants & sales		207,893	221,986
Payments to suppliers & employees		(153,007)	(195,148)
Interest received		5,307	4,568
Net cash provided by operating activities	(ii)	**60,193**	**31,406**
CASHFLOWS FROM INVESTMENT ACTIVITIES			
Payments for property, plant and equipment		(3,342)	(5,270)
Net Cash provided by used in investment activities		**(3,342)**	**(5,270)**
Net increase (decrease) in cash held		**56,851**	**26,137**
Cash as at beginning of year		135,506	109,369
Cash as at end of year	3	**192,357**	**135,506**

NOTES TO THE STATEMENT OF CASH FLOWS

(i) RECONCILIATION OF CASH

For the purpose of the Statement of Cash Flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash	3	**192,357**	**135,506**

(ii) **Reconciliation of Net Cash Provided by Operating Activities to Operating Result**

Operating Profit (Loss) After Tax	61,808	20,977
Add Non-Cash Items		
Depreciation	5,265	4,689
Changes in Assets and Liabilities		
(Increase) / Decrease in Other Current Assets	3,353	5,223
Increase / (Decrease) in Creditors	(1,683)	505
Increase / (Decrease) in Other Current Liabilities	(3,818)	(4,110)
Increase / (Decrease) in Provisions	(4,732)	4,122
Net Cash Provided by (used in) Operating Activities	**60,193**	**31,406**

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

In the opinion of the directors, the Company is a reporting entity. The financial report constitutes a general purpose financial report which has been drawn up in accordance with applicable Accounting Standards and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views). The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values or, except where stated, current valuations of non-current assets. Cost is based on the fair values of the consideration given in exchange for assets. The accounting policies have been consistently applied, unless otherwise stated.

The following is a summary of the significant accounting policies adopted by the Institute in the preparation of the financial statements.

(b) Depreciation

Depreciation is provided for on fixed assets so as to write off the assets progressively over their useful life. The diminishing value method has been used at the rate of 15%p.a. for the office furniture and equipment, 30%p.a. for security alarm and folding machine, and 37.5% p.a. or 40%p.a.(depending on circumstances) for computer equipment. The Library is depreciated at 10%p.a. The building is being depreciated over 30 years.

(c) Income Tax

The Company is exempt from income tax and accordingly there is no liability shown in the accounts.

(d) Segment Information

The Company operates in Australia as a non-profit organisation providing membership services to those with an interest in overseas political and economic issues.

(e) Land and Building

The property at 124 - 126 Jolimont Road, East Melbourne has been valued by the Directors on the basis of an independent kerb-side valuation performed on 13 August 2004.

(f) Revenue recognition

Membership subscription is recognised over the period to which they relate. Rental income is recognised as it accrues over the period that the property is leased to third parties. Interest revenue is recognised as it accrues.

(g) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether or not billed to the Company. Trade accounts payable are normally settled within 30 days. The carrying value of accounts payable approximate net fair value.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

(h) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a net basis.

(i) Wages, salaries and annual leave

The provision for employee entitlements to wages, salaries and annual leave represent the amount which the Company has present obligation to pay resulting from employee services provided to balance date. The provisions have been calculated at undiscounted amounts based on current wage and salary rates and include related on-costs.

(j) Superannuation

Contributions to employee superannuation funds are charged against income as they are made. The employer contributions are paid to an approved superannuation scheme.

	Note	2007 $	2006 $
2. REVENUE			
Revenue from Ordinary Activities:			
Members Subscriptions		43,192	33,982
Function Admission		106,567	69,235
Study Tour		-	71,145
Rental Income		33,143	31,087
Donations		26,062	13,464
Interest		5,307	4,568
Other		(425)	2,860
Total Revenue from Ordinary Activities		**213,846**	**226,341**

3. CASH ASSETS (CURRENT)			
Cash at Bank		192,357	135,506
Total Cash Assets		**192,357**	**135,506**

Carrying amounts of financial instruments approximate net market values determined by reference to the present values of future cash flows.

4. OTHER ASSETS (CURRENT)			
Current Prepayments		2,695	2,588
Cash on Hand		200	200
Rent and Donations Receivable		-	6,283
Publications on Hand – at cost		3,009	3,159
Total Other Assets		**5,904**	**12,230**

5. PROPERTY, PLANT & EQUIPMENT			
Freehold Land at directors' valuation 1(e)		1,000,000	1,000,000
Buildings – at cost		27,611	27,611
Less: Accumulated depreciation		(14,018)	(13,098)
Total		1,013,593	1,014,513
Computer equipment – at cost		9,843	9,843
Less: Accumulated depreciation		(8,795)	(8,164)
Total		1,048	1,679
Office furniture and equipment–at cost		77,065	73,724
Less: Accumulated Depreciation		(62,030)	(58,323)
		15,035	15,401
Library – at cost		3,241	3,241
Less: Accumulated depreciation		(3,183)	(3,177)
		58	64
Total Property, Plant & Equipment		**1,029,734**	**1,031,657**

	Note	2007 $	2006 $
5. PROPERTY, PLANT & EQUIPMENT (cont.)			
Reconciliation of Movements			
Opening Balance		1,031,657	1,031,076
Additions		3,342	5,270
Revaluation		-	-
Depreciation		(5,265)	(4,689)
Total		**1,029,734**	**1,031,657**
6. CREDITORS & BORROWINGS (CURRENT)			
Sundry Creditors		4,996	6,679
Total Creditors and Borrowings		**4,996**	**6,679**
7. OTHER LIABILITIES (CURRENT)			
Subscriptions and Rent received in advance		-	3,818
Total Other Liabilities		**-**	**3,818**
8. PROVISIONS (CURRENT)			
Provision for annual leave		1,692	6,424
Total Provisions		**1,692**	**6,424**
9. RESERVES			
Capital Reserve		42,427	42,427
Research Reserve		2,181	2,181
Dyason House Maintenance Fund		6,851	6,851
John Legge Library Fund		2,445	2,445
Asset Revaluation Reserve		951,566	951,566
Total Reserves		**1,005,470**	**1,005,470**
10. ACCUMULATED PROFIT			
Balance at beginning of year		69,765	48,788
Profit/(loss) for year		61,808	20,977
Balance at end of year		**131,573**	**69,765**
11. BEQUESTS			
Dyason Bequest		87,237	87,237
Total Bequests		**87,237**	**87,237**

	Note	2007 $	2006 $
12. AUDIT FEES			
Fees for Auditing Services		1,350	2,100
13. DIRECTORS REMUNERATION			
Income received or due and receivable by all directors from the company and any Related corporations.		-	-

14. MEMBERS' LIABILITY

The liability of the members of the Institute is limited. Each member has an obligation to contribute to the assets of the Institute in the event of the same being wound up whilst he is a member, for payment of debts. The amount of each members' liability is limited to $20.

15. EMPLOYEE ENTITLEMENTS

Aggregate Employee Entitlements, including on-costs;			
- Current		1,692	6,424

16. RELATED PARTY TRANSACTIONS

Directors attend functions arranged by the Company and pay attendance fees equal to those paid by other members. There are no related party transactions.

17. OTHER STATUTORY INFORMATION

The Company is incorporated and domiciled in Australia.
The registered office and principal place of business is:
Dyason House
124 Jolimont Road
East Melbourne Vic 3002
The Company had one employee at 30 June 2007

AUSTRALIAN INSTITUTE OF INTERNATIONAL AFFAIRS VICTORIA
A.C.N.: 004 560 829
(A COMPANY LIMITED BY GUARANTEE)

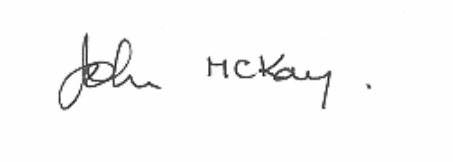
DECLARATION BY DIRECTORS

In the opinion of the directors of Australian Institute of International Affairs Victoria:

(a) The accompanying financial statements and notes, set out on pages 14 to 22, are in accordance with the Corporations Act 2001, comply with the accounting standards and give a true and fair view of the Company's financial position as at 30 June 2007 and of its performance for the year ended on that date; and

(b) At the date of this declaration, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Director Director

Dated this 30th September, 2007

Melbourne

PKF

Chartered Accountants
& Business Advisers

Independent Auditors' Report to the Members

Scope

We have audited the financial report of The Australian Institute of International Affairs Victoria for the financial year ended 30 June 2007 as set out on pages 14 to 22. The members of the Executive Committee are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the Company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements and statutory requirements in Australia so as to present a view which is consistent with our understanding of the Institute's financial position, and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In our opinion, the financial report of The Australian Institute of International Affairs Victoria is in accordance with:

(a) The Corporations Act 2001, including:

i) giving a true and fair view of the Company's financial position as at 30 June 2007 and of its performance for the year ended on that date; and

ii) complying with Accounting Standards and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements.

PKF.

Chartered Accountants
30 September 2007
Melbourne

Noel F May
Partner

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NATIONAL OFFICE

PRINCIPAL OFFICERS

Visitor	HE Major General Michael Jeffery AC, CVO, MC (Retd) Governor-General of Australia
President	Mr Clive Hildebrand
Vice President	Mr Geoffrey Miller AO
Hon. Treasurer	Mr Dayle Redden
National Executive	Dr Susan Boyd Ms Veronika Butta Ms Melissa Conley Tyler (Executive Director & Company Secretary) Mr Peter Hendy Mr Clive Hildebrand Prof. Aynsley Kellow Prof. John McKay Mr Geoffrey Miller AO Dr Felix Patrikeeff Mr David J Ritchie Mr Dayle Redden Prof. Michael Wesley Mr Mack Williams
Chairman, Research Committee	Prof. Michael Wesley
Editor, Australian Journal of International Affairs	Professor William Tow

NATIONAL OFFICE

Executive Director	Ms Melissa Conley Tyler

BRANCH PRESIDENTS

Prof John McKay (Vic)
Mr Mack Williams (NSW)
Mr Peter Hendy (ACT)
Ms Veronika Butta (Qld)
Dr. Susan Boyd (WA)
Dr Felix Patrikeeff (SA)
Prof. Aynsley Kellow (Tas)